

## Message Text

UNCLASSIFIED

PAGE 01 ACCRA 01975 171256Z

ACTION OPIC-06

INFO OCT-01 AF-08 EUR-12 ISO-00 FEA-01 ERDA-07 AID-05

CEA-01 CIAE-00 COME-00 DODE-00 EB-08 FPC-01 H-02

INR-07 INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04

USIA-15 OES-06 SP-02 SS-15 STR-04 TRSE-00 ACDA-10

PA-02 PRS-01 /132 W

-----180305Z 079866 /73

R 170941Z MAR 77

FM AMEMBASSY ACCRA

TO SECSTATE WASHDC 7032

INFO AMEMBASSY ABIDJAN

AMEMBASSY LAGOS

UFJLE/AMEMBASSY LOME 2435

AMEMBASSY LONDON

UNCLAS ACCRA 1975

LONDON FOR SEITZ

E.O. 11652: NA

TAGS: ENRG, EFIN, GH

SUBJECT: U.S. COMPANY TAKES OIL CONCESSION

REF: (A) ACCRA 1887; (B) STATE 49417

1. EXECUTIVES OF LVO INTERNATIONAL, A TULSA-BASED FIRM, NOW IN ACCRA TO SET UP LOCAL SUBSIDIARY, AGRI-PETCO OF GHANA. SUBSIDIARY HAS TAKEN OVER FORMER AMOCO OIL CONCESSION OFFSHORE NEAR SALTPOND. A DRILLING RIG WILL BE TOWED FROM NIGERIA AND IF ALL GOES AS PLANNED, DRILLING SHOULD START AROUND MAY 1.

2. LVO INTERNATIONAL PLANS TO HAVE FOUR EMPLOYEES BASED IN GHANA, WHILE ONLY U.S. CONTRACTOR, READING AND BATES, IS EXPECTED TO HAVE NINE WORKERS, MOST OF WHOM WILL BE UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ACCRA 01975 171256Z

EMPLOYED ON OFFSHORE DRILLING RIG. AMONG THE OTHER CONTRACTORS ARE FRENCH AND DUTCH FIRMS.

3. AGRI-PETCO OF GHANA IS HELD BY THREE OF 15 US AGRICULTURAL COOPERATIVES THAT OWN LVO INTERNATIONAL. TERMS OF AGREEMENT APPARENTLY QUITE GENEROUS TO CONCESSIONAIRE, BUT RESULTS OF OFFSHORE DRILLING IN GHANA

HAVE NOT BEEN PROMISING SO FAR. GOG WILL RECEIVE DOLLARS  
9-10,000 ANNUAL CONCESSION RENTAL AND 12.5 PERCENT OF  
CRUDE OIL PRODUCED OR CASH EQUIVALENT. GOG ALSO HAS  
RIGHT TO PURCHASE ADDITIONAL 12.5 PERCENT OF CRUDE OUT-  
PUT FOR DOLLARS BASED ON PRICE OF SIMILAR NIGERIAN CRUDE.  
IF PRODUCTION BELOW 5,000 BARRELS PER DAY AGRI-PETCO HAS  
NO GHANAIAN INCOME TAX LIABILITY.

4. AGRI-PECO OFFICIALS OPTIMISTIC ABOUT PROSPECTS OF  
DEVELOPING A SMALL FIELD IN CONCESSION AREA, BUT DO NOT  
SEE GHANA BECOMING SELF-SUFFICIENT IN OIL. THEY  
BELIEVE EVEN MODEST DISCOVERY WILL STIMULATE OTHER FIRMS  
TO BEGIN EXPLORATION. SMITH

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM INDUSTRY, OFFSHORE DRILLING, INVESTORS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 17-Mar-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977ACCRA01975  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770092-0809  
**Format:** TEL  
**From:** ACCRA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770351/aaaabsel.tel  
**Line Count:** 75  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 90b509b7-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION OPIC  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 ACCRA 1887, 77 STATE 49417  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 12-Oct-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3084614  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** U.S. COMPANY TAKES OIL CONCESSION  
**TAGS:** ENRG, EFIN, GH, US, LVO INTERNATL  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/90b509b7-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009